

Administration on Aging

(dollars in millions)

| | <u>1996</u> <u>Actual</u> | <u>1997</u> <u>Enacted</u> | <u>1998</u> <u>Request</u> | <u>Request</u> <u>+/- Enacted</u> |
|----------------------------------|------------------------------|-------------------------------|-------------------------------|--------------------------------------|
| Budget Authority 1/ | \$833 | \$836 | \$838 | +\$2 |
| Program Level | 833 | 836 | 838 | +2 |
| Outlays | 820 | 855 | 835 | -20 |
| FTE | 149 | 150 | 150 | 0 |

1/ Does not include \$440 million for proposed transfer of Community Service Employment for Older Americans program from DOL to AoA in FY 1998.

Summary

The FY 1998 budget for the Administration on Aging (AoA) provides \$838 million for programs aimed at improving older Americans' quality of life, primarily by helping senior citizens to remain independent and productive. The budget also reflects the Administration's desire to consolidate in AoA the management and oversight of programs that serve the elderly; towards that end, two transfers are proposed for FY 1998: the Health Resources and Services Administration (HRSA) will transfer the Alzheimer's Disease Demonstration Grants to States program to AoA, and the Department of Labor (DOL) will transfer administration of their Community Service Employment for Older Americans program to AoA.

AoA serves older persons and their families through the administration of the Older Americans Act and aging-related applied research and educational projects. As the focal

point in the Federal Government for serving older persons, AoA works to advance the dignity and independence of the nations' elderly. By the year 2030, the number of people aged 60 and older will increase to 89 million, while those 85 and older will increase to almost nine million. AoA recognizes the need to address these demographic changes, and is striving to prepare both older and younger Americans for their aging.

Supportive Services and Centers

The FY 1998 budget request reflects AoA's commitment to ensure that older Americans have an independent, productive, healthy and secure life. Supportive services represent the cornerstone of the comprehensive and coordinated system of home and community-based services that address the needs of the elderly. The FY 1998 budget of

\$291.4 million provides funding for a network of 57 State units on aging, 661 Area Agencies on Aging, 6,400 senior centers, and more than 27,000 service providers throughout the country. In FY 1995, supportive services and centers provided homemaker services to over 167,000 elderly, chore services to 66,000, case management services to 501,000, adult day care to 46,000, and personal care to 97,000. Of these clients, 39 percent were at or below the poverty level.

Nutrition Services

For FY 1998, AoA requests \$469.9 million for nutrition services. Over 240 million meals were served in FY 1995 through the Aging Network; about half of meal recipients are low-income elders and about 16 percent of recipients are members of minority groups. Recipients of home-delivered meals are among the most vulnerable elderly in the community, with 73 percent considered to be frail and disabled and 53 percent being low-income. Between 1980 and 1995, the number of home-delivered meals increased by 227 percent, reflecting not only a growing elderly population but also an elderly population composed of increasingly older and more frail individuals. Moreover, the volunteers who deliver the meals often serve as informal gatekeepers, assessing whether recipients have other needs and linking them to additional services.

Congregate nutrition services provide a cooked, nutritious meal to seniors in a group setting. Participation in a group setting reduces isolation and encourages continued physical and mental functioning. The Older Americans Act directs that priority be given to those who are in greatest economic and social need, with particular attention to low-income, minority older persons.

Grants to States for Protection of Vulnerable Older Americans

The FY 1998 budget proposes a consolidation of the various programs authorized under Title VII of the Older Americans Act into a single grants program, with total funding of \$9.2 million. Title VII programs include: long-term care ombudsman services; prevention of elder abuse, neglect and exploitation; State elder rights and legal assistance development; and outreach, counseling and assistance.

While each of these programs has its own distinct mission within the overall Title VII mission of protecting vulnerable elder rights, all four work in conjunction with each other at the State level, forming a synergy which increases the effectiveness of each. Therefore, the FY 1998 budget proposes to consolidate funding for these activities into a single line item. Funding these complementary activities together will ensure that States have the flexibility to meet the most pressing needs of their vulnerable elderly populations.

Other AoA Programs

The FY 1998 budget request also provides \$9.3 million for in-home services for the frail elderly (Title III-D). The rapid growth of the age 85 and over population brings new demands for care because of limited mobility, increasing disability, more elderly living alone and the higher risk of poverty. By supporting the provision of services to frail older individuals, the program increases the access of vulnerable older individuals to needed assistance and helps them avoid institutionalization.

Other activities funded through AoA include: \$16.1 million for grants to Native Americans (Title VI); \$15.6 million for preventive health services (Title III-F); and \$4.0 million for aging training, research and

related programs (Title IV) to enhance the capacity of State, local and tribal governments and non-profit entities to develop and improve the quality and effectiveness of services for older individuals.

community service, employment and training for low-income seniors. The proposed transfer totals \$440.2 million in FY 1998.

Alzheimer's Initiative

The number of people in the U.S. with Alzheimer's disease or related disorders is expected to double in the next 20 years, from the current level of nearly four million. In response to the growing pressures for assistance for these Alzheimer's patients and their caregivers, the administrative responsibility for the Alzheimer's Disease Demonstration Grants to States (ADDGS) program is proposed to be transferred to AoA from HRSA. AoA will continue to build upon the expertise gained from ADDGS so far, and will strive to continue the creation of innovative approaches for linking these patients and caregivers with health care providers, including physicians, community organizations, and private industry.

The requested funding level of \$8.0 million will allow on-going experimentation with and refinement of innovative program models; these models can then be implemented in States and communities to more effectively serve the rapidly growing number of Alzheimer's patients and their caregivers.

Older Workers Program

Finally, the Administration's bill for reauthorizing the Older Americans Act includes a proposal to transfer DOL's Community Service Employment for Older Americans program (Title V) to AoA. Such a transfer would ensure national responsiveness to local community needs by allowing State and local agencies increased flexibility to consolidate, coordinate, link and expand limited resources to enhance

AOA OVERVIEW

(dollars in millions)

| | <u>1996 Actual</u> | <u>1997 Enacted</u> | <u>1998 Request</u> | <u>Request +/- Enacted</u> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| Supportive Services and Centers | \$291 | \$291 | \$291 | \$0 |
| Nutrition Services: | | | | |
| Congregate Meals | 365 | 365 | 360 | -5 |
| Home-Delivered Meals | <u>105</u> | <u>105</u> | <u>110</u> | <u>+5</u> |
| Subtotal, Meals | 470 | 470 | 470 | 0 |
| In-Home Services--Frail Elderly | 9 | 9 | 9 | 0 |
| Grants to Indian Tribes | 16 | 16 | 16 | 0 |
| Preventive Health Services | 16 | 16 | 16 | 0 |
| Research, Training and Demonstration | 3 | 4 | 4 | 0 |
| Grants to States for Protection of Vulnerable Older Americans | 9 | 9 | 9 | 0 |
| Alzheimer's Initiative 1/ | 4 | 6 | 8 | +2 |
| Federal Administration | <u>15</u> | <u>15</u> | <u>15</u> | <u>0</u> |
| Total, BA/Program Level | \$833 | \$836 | \$838 | +\$2 |
| <i>Proposed Transfer: 2/</i> | | | | |
| <i>Department of Labor--Older Workers</i> | | | | |
| <i>Program</i> | \$373 | \$463 | \$440 | -\$23 |
| FTE | 149 | 150 | 150 | 0 |

1/ Comparable transfer from HRSA for FY 1996 and FY 1997.

2/ Proposed bill language transfers \$440 million for administration of DOL's Community Service Employment for Older Americans program to AoA. FY 1996 and FY 1997 levels for this program are provided for comparison purposes only; the FY 1997 increase was to finance the cost of the minimum wage increase.